

AMENDED IN ASSEMBLY JUNE 24, 2004

AMENDED IN ASSEMBLY JUNE 22, 2004

AMENDED IN ASSEMBLY JUNE 8, 2004

SENATE BILL

No. 1360

Introduced by Senators Brulte and Escutia

February 18, 2004

An act to add Section 14107.12 to the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

SB 1360, as amended, Brulte. Rewards for information: health services: Medi-Cal.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Services, pursuant to which medical benefits are provided to public assistance recipients and other low-income persons.

This bill would require the Department of Justice to pay a reward for information leading to the recovery of not less than \$100 in funds paid for services or goods rendered under the Medi-Cal program due to an act or omission by an individual or entity from which recovery is sought and that is the basis of a conviction of a Medi-Cal provider of services or goods in violation of certain criminal statutes *within the jurisdiction of the Bureau of Medi-Cal Fraud and Elder Abuse*.

Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program and other social services programs under which each county provides cash assistance and other benefits to qualified low-income families and individuals. Existing law provides for the federal Food Stamp Program, under which each county

distributes food stamps provided by the federal government to eligible households. Under existing law, certain counties may elect to participate in the County Medical Services Program for the state administration of health care services to eligible persons in the county.

This bill, subject to necessary federal approval, would provide for an income disregard for reward payments made pursuant to the bill for purposes of determining eligibility for any Medi-Cal program, the CalWORKs program, the Food Stamp Program, the County Medical Services Program, and any other means-tested public benefit program for which California has authority to establish the rules for determining eligibility.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14107.12 is added to the Welfare and
2 Institutions Code, to read:

3 14107.12. (a) The Department of Justice shall, from funds
4 appropriated for the purpose, pay a reward to any person who
5 furnishes information leading to the recovery of not less than one
6 hundred dollars (\$100) of public funds paid for services or goods
7 rendered under the Medi-Cal program due to an act or omission by
8 a individual or entity from which recovery is sought and that is the
9 basis of a conviction of a Medi-Cal provider of services or goods
10 in violation of any statutory criminal prohibition ~~in this chapter or~~
11 ~~under Section 368, 487, or 550 of the Penal Code.~~ *within the*
12 *jurisdiction of the Bureau of Medi-Cal Fraud and Elder Abuse*
13 *pursuant to Section 12528 of the Government Code.*

14 (b) No reward shall be paid for information under this section
15 unless the information relates to the specific activities of a specific
16 individual or entity, and specifies the time period during which the
17 prohibited activities occurred.

18 (c) No reward shall be paid under this section to a federal, state,
19 or local public employee or any individual contracting with a state
20 or local agency for information discovered by the employee during
21 the course of his or her duties as a federal, state, or local agency
22 employee or pursuant to a contract with that agency.

23 (d) The amount of a reward under this section shall be
24 determined by the Department of Justice, and shall not exceed 10

1 percent of the overpayments recovered or one thousand dollars
2 (\$1,000), whichever is less. No reward shall be paid until all
3 recoverable funds have been collected from the individual or
4 entity convicted of a violation of statutory prohibitions listed in
5 subdivision (a).

6 (e) A determination by the Department of Justice of the
7 eligibility of an individual to receive a reward, the amount and
8 appropriateness of a reward under this section, and the timing of
9 the payment of the reward shall be deemed to be final and shall not
10 be subject to administrative appeal or judicial review.

11 (f) Subject to subdivision (g), payments made under authority
12 of this section shall be disregarded for purposes of determining
13 eligibility for any Medi-Cal program, for the CalWORKs
14 program, for the Food Stamp Program, for the County Medical
15 Services Program, and for any other means-tested public benefit
16 program for which California has authority to establish the rules
17 for determining eligibility.

18 (g) The income disregard described in subdivision (f) shall not
19 be effective, with respect to an identified program, until the first
20 day of the third month from the month in which any necessary
21 federal approval is obtained. The income disregard provided for
22 in subdivision (f) shall only be implemented to the extent that
23 federal financial participation is obtained.

